

# NOTICE OF PENDING LEGISLATION OGC HAS REVIEWED.

DATE

1 June 1956

LEGISLATIVE BILL NO.

S. 3897

## SECTION I

## GENERAL

TO : Comptroller ✓ OGC  
Ch, Audit Staff

FROM: LEGISLATIVE COUNSEL  
OFFICE OF GENERAL COUNSEL

THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:

☐ SENT TO YOU FOR INFORMATION ONLY.

☐ A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION ☐ IS ☐ IS NOT PREDICTED.

~~XXX~~ SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.

IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY \_\_\_\_\_

FOLD  
HEREFOLD  
HERE

## SECTION II

## COMMENTS (From Original Addressee)

TO : LEGISLATIVE COUNSEL  
OFFICE OF GENERAL COUNSEL

FROM:

Hearings are to commence on 4 June.

1. This bill is a great improvement over S.3199 in that several items to which we would have to secure an exception have been eliminated.
2. The new bill is less objectionable in that the provisions take on the tone of "government policy" because they become effective only as deemed desirable and practicable. These provisions are:
  - a. That the budget document include information on program costs and accomplishments;
  - b. That appropriations be determined on an annual accrued expenditure basis and that these appropriations be developed from cost based budgets;
  - c. That a coordinated organizational structure, budget classification and accounting systems be established;
  - d. That Agency accounting systems be maintained on an accrual basis; and
  - e. That the allotment system be simplified.
3. This Agency is in accord with items a, c and e and has made considerable progress in these areas. Items b and d, dealing with accrued expenditure and cost budgeting and accounting, require considerable study before an evaluation can be made of the impact of these proposals. As we have commented before, we are not convinced that accrual and cost accounting will solve the government's budgeting and accounting problems and recommend that thorough consideration be given to the implications of these proposals before adopting the policy that cost and accrued expenditure accounting be established throughout the government.

STATINTL

DATE OF COMMENTS

4 June 1956

SIGNATURE AND TITLE

Approved For Release 2001/08/24 :  
Comptroller

EXTENSION

0007-7

445

Approved For Release 2001/08/24 : CIA-RDP59-00224A000100010007-7

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED		CONFIDENTIAL	SECRET
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	INITIALS	DATE
1	DD/S	<i>HYL</i>	6 June
2	Legislative Council		
3			
4			
5			
6			
	ACTION	DIRECT REPLY	PREPARE REPLY
	APPROVAL	DISPATCH	RECOMMENDATION
	COMMENT	FILE	RETURN
	CONCURRENCE	INFORMATION	SIGNATURE
Remarks:			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
UNCLASSIFIED			6 June 56

Approved For Release 2001/08/24 : CIA-RDP59-00224A000100010007-7